SIXTH DAY

(Wednesday, July 19, 1978)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, Mauzy, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Moore.

A quorum was announced present.

The Reverend Marvin Griffin, Ebenezer Baptist Church, Austin, offered the invocation as follows:

O God, Our gracious heavenly Father, by whose grace we have been ushered into a new day, we pray for Your blessings on the Texas Senate. We thank You, dear Lord, that You give us new hope, new opportunities, and new possibilities. Grant that this special session of the Legislature may produce good fruit -. May it be free from control by any special interests so that the common welfare may be served. Deliver us from trifling in trivialities. Help us seize this present moment and make it pregnant with meaning. Grant that we may be faithful stewards of the public trust.

This we ask in the name of justice, mercy, truth and goodness. AMEN.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

REPORTS OF STANDING COMMITTEES

Senator Jones of Harris submitted the following report for the Committee on Administration:

S.R. 38

S.C.R. 3

C.S.S.C.R. 5 (Read first time)

Senator Aikin submitted the following report for the Committee on Finance:

C.S.H.B. 1 (Read first time)

SENATE BILL ON FIRST READING

The following bill was introduced, read first time and referred to the Committee indicated:

S.B. 9 by Jones of Taylor, Farabee Relating to property taxation.

Jurisprudence

CO-AUTHOR OF SENATE JOINT RESOLUTION 4

On motion of Senator Mengden and by unanimous consent, Senator Lombardino will be shown as Co-author of S.J.R. 4.

CO-AUTHOR OF SENATE JOINT RESOLUTION 5

On motion of Senator Mengden and by unanimous consent, Senator Lombardino will be shown as Co-author of S.J.R. 5.

PROCLAMATION BY THE GOVERNOR

The President laid before the Senate the following Proclamation by the Governor:

PROCLAMATION BY THE GOVERNOR OF THE STATE OF TEXAS

TO ALL TO WHOM THESE PRESENTS SHALL COME:

Under the provisions of Article IV, Section 8 of the Constitution of the State of Texas, I, Dolph Briscoe, Governor of the State of Texas, do hereby submit the following for consideration by the Second Called Session of the 65th Legislature, now convened, in addition to such items as have heretofore been submitted, to wit:

To enact legislation adopting a property tax code with provision for taxation of property based upon a county wide single appraisal of such property, the adoption and enforcement of uniform appraisal standards state-wide, periodic uniform reappraisal of all taxable property, placing a limitation on increases on local property taxes, and taxpayer remedies;

To propose a constitutional amendment to permit producers of agricultural and marine commodities to form associations and vote to impose refundable assessments on sale of those commodities by producers;

To consider and act on such other subjects and questions as the Governor may submit from time to time.

The Secretary of State will take notice of this action and will notify the members of the Legislature.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the Seal of State to be affixed hereto at Austin, this the 19th day of July, A.D., 1978.

/s/DOLPH BRISCOE GOVERNOR OF TEXAS

ATTEST:

/s/STEVEN C. OAKS SECRETARY OF STATE

The Proclamation was read and was filed with the Secretary of the Senate.

SENATE JOINT RESOLUTION 2 ON SECOND READING

The President laid before the Senate on its second reading and passage to engrossment:

S.J.R. 2, Proposing an amendment to Article VIII, Section 1-d of the Texas Constitution, to authorize separate appraisal formulas to promote preservation of land devoted to farm, ranch, and forest purposes.

The resolution was read second time.

Senator Creighton offered the following committee amendment to the resolution:

COMMITTEE AMENDMENT NO. 1

Amend S.J.R. No. 2 as follows:

(1) Strike the first two lines below the resolving clause and substitute the following:

Section 1. That Article VIII of the Constitution be amended by adding Section 1-d-1 to read as follows:

- (2) On the third line below the resolving clause, change "1-d" to "1-d-1".
- (3) Designate the existing text of Section 1-d as Subsection (a) of the section and insert a Subsection (b) to read as follows:
- "(b) If a property owner qualifies his land for designation for agricultural use under Section 1-d of this article, the land is subject to the provisions of Section 1-d for the year in which the designation is effective and is not subject to a law enacted under this Section 1-d-1 in that year."

The committee amendment was read and was adopted.

Senator Doggett offered the following amendment to the resolution:

Amend S.J.R. No. 2 by striking all below the resolving clause and substituting the following:

- Section 1. That Article VIII of the Texas Constitution be amended by adding Section 1-d-1 to read as follows:
- Sec. 1-d-1. (a) The legislature shall provide by law for taxation of real property devoted to farming or ranching on the basis of its value for farm or ranch purposes if the property is owned by one or more individuals, by a trust or estate that benefits individuals exclusively, or by an eligible domestic corporation, partnership, or limited partnership.
 - (b) A domestic corporation, partnership, or limited partnership is eligible if:
- (1) the number of shareholders or participants does not exceed 10 or, if there are more than 10 shareholders or participants, each is related to all others within the third degree of consanguinity or the second degree of affinity;
- (2) each shareholder or participant is an individual or an estate or trust that benefits individuals exclusively; and
- (3) the corporation's or partnership's total revenues from rents, royalties, dividends, interest, annuities, and proceeds from sales of real property in any fiscal year do not exceed 20 percent of its total revenues in that year.
- (c) If a property owner qualifies his land for designation for agricultural use under Section 1-d of this article, the land is subject to the provisions of Section 1-d

for the year in which the designation is effective and is not subject to a law enacted under this Section 1-d-1 in that year.

Section 2. This proposed amendment shall be submitted to the voters at an election to be held November 7, 1978. The ballots shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the legislature to provide for taxation of farm and ranch property on the basis of its value for farm or ranch purposes."

The amendment was read.

Senator Jones of Taylor offered the following amendment to the amendment to the resolution:

Amend Doggett amendment S.J.R. 2 by striking (b)-(3).

The amendment to the amendment was read.

Senator Doggett moved to table the amendment to the amendment.

The motion to table was lost by the following vote: Yeas 14, Nays 16.

Yeas: Blake, Braecklein, Clower, Doggett, Farabee, Jones of Harris, Lombardino, Longoria, Mauzy, Mengden, Ogg, Parker, Schwartz, Truan.

Nays: Aikin, Andujar, Brooks, Creighton, Hance, Harris, Jones of Taylor, Kothmann, McKnight, Meier, Patman, Price, Santiesteban, Snelson, Traeger, Williams.

Absent-excused: Moore.

The amendment to the amendment was then adopted.

The amendment as amended failed of adoption by the following vote: Yeas 14, Nays 15, Present-Not Voting 1.

Yeas: Blake, Braecklein, Clower, Doggett, Farabee, Jones of Harris, Lombardino, Mauzy, Mengden, Patman, Schwartz, Snelson, Traeger, Truan.

Nays: Aikin, Andujar, Brooks, Creighton, Hance, Harris, Jones of Taylor, Kothmann, McKnight, Meier, Ogg, Parker, Price, Santiesteban, Williams.

Present-Not Voting: Longoria.

Absent-excused: Moore.

On motion of Senator Creighton and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The resolution as amended was passed to engrossment by the following vote: Yeas 24, Nays 5, Present-Not Voting 1.

Yeas: Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, McKnight, Meier, Mengden, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Williams.

Nays: Blake, Doggett, Mauzy, Ogg, Truan.

Present-Not Voting: Longoria.

Absent-excused: Moore.

SENATE JOINT RESOLUTION 2 ON THIRD READING

Senator Creighton moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that S.J.R. 2 be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Nays: Mauzy.

Absent-excused: Moore.

The President then laid the resolution before the Senate on its third reading and final passage.

The resolution was read third time and was passed by the following vote: Yeas 24, Nays 5, Present-Not Voting 1.

Yeas: Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, McKnight, Meier, Mengden, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Williams.

Nays: Blake, Doggett, Mauzy, Ogg, Truan.

Present-Not Voting: Longoria.

Absent-excused: Moore.

MESSAGE FROM THE HOUSE

House Chamber July 19, 1978

HONORABLE WILLIAM P. HOBBY PRESIDENT OF THE SENATE

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 8, Designating May 29, 1979, as Fraternal Order of Eagle Day throughout the State of Texas in recognition of Bob Hope's efforts for Hughen School for Crippled Children and Adults, Inc., Port Arthur, Texas.

Respectfully,

BETTY MURRAY, Chief Clerk House of Representatives

SENATE BILL 4 ON SECOND READING

On motion of Senator Creighton and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to engrossment:

S.B. 4, Relating to the valuation of open-space land used to support the raising of livestock or produce farm crops or forest crops.

The bill was read second time and was passed to engrossment.

RECORD OF VOTES

Senators Mauzy, Truan, Ogg, and Doggett asked to be recorded as voting "Nay" on the passage of the bill to engrossment.

SENATE BILL 4 ON THIRD READING

Senator Creighton moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that S.B. 4 be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Nays: Mauzy.

Absent-excused: Moore,

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

RECORD OF VOTES

Senators Mauzy, Truan, Ogg and Doggett asked to be recorded as voting "Nay" on the final passage of the bill.

SENATE RESOLUTION 38 ON SECOND READING

On motion of Senator Longoria and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading:

S.R. 38, Inviting Dr. Gian C. Sud to address the Senate on Monday, July 24, 1978 at 11:00 o'clock a.m.

The resolution was read second time and was adopted.

SENATE CONCURRENT RESOLUTION 9

Senator Aikin asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

S.C.R. 9, Granting permission to either House of the 65th Legislature, Second Called Session, to adjourn from Wednesday, July 19, 1978 until Monday, July 24, 1978

There was objection.

Senator Aikin then moved to suspend the regular order of business and take up S.C.R. 9 for consideration at this time.

The motion prevailed by the following vote: Yeas 23, Nays 7.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Creighton, Doggett, Farabee, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Mauzy, McKnight, Meier, Ogg, Santiesteban, Schwartz, Snelson, Truan, Williams.

Nays: Clower, Longoria, Mengden, Parker, Patman, Price, Traeger.

Absent-excused: Moore.

On motion of Senator Aikin and by unanimous consent, the resolution was withdrawn.

COMMITTEE SUBSTITUTE HOUSE BILL 1 ON SECOND READING

On motion of Senator Hance and by unanimous consent, the regular order of business and Senate Rule 74 were suspended to take up for consideration at this time on its second reading and passage to third reading:

C.S.H.B. 1, Relating to exemptions from the state inheritance tax for certain Class A beneficiaries; relating to the taxation or exemption from taxation of the receipts from the sale, production, distribution, lease or rental of, and the storage, use, or other consumption of gas and electricity for residential uses under state and local sales and use taxes; amending Articles 14.015 and 14.02, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended; amending various provisions of Chapter 20, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended; the Local Sales and Use Tax Act, as amended (Article 1066c, Vernon's Texas Civil Statutes); and Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes).

The bill was read second time and was passed to third reading.

COMMITTEE SUBSTITUTE HOUSE BILL 1 ON THIRD READING

Senator Hance moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that C.S.H.B. 1 be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Moore.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0.

Absent-excused: Moore,

MEMORIAL RESOLUTIONS

- S.R. 47 By Ogg, Brooks: Memorial resolution for Mrs. Marilyn Ann Tritico.
- S.R. 53 By Aikin, Santiesteban: Memorial resolution for John T. Bean.
- S.R. 54 By Clower: Memorial resolution for Charles H. Laurence.

WELCOME AND CONGRATULATORY RESOLUTIONS

- S.R. 43 By Doggett: Extending welcome to Reverend Marvin Griffin.
- S.R. 44 By Brooks, Aikin: Extending welcome to Margaret and Garland Button and their daughter, Betty.
 - S.R. 45 By Ogg: Extending congratulations to John A. Riefenberg.
- S.R. 46 By Ogg: Extending congratulations to Mrs. Rosalie Ideker McGinnis.
 - S.R. 48 By Clower: Extending welcome to Lewis McLain.
 - S.R. 49 By Clower: Extending welcome to Beverly Harlan.
- S.R. 50 By Clower: Extending welcome to Donna Watt, Lillie Jacinto, Velma Hailey, Sondra Anderson and Brenda Gilmore.
 - S.R. 51 By Schwartz: Extending welcome to Stan Elbert.
 - S.R. 52 By Clower: Extending welcome to Cherry and Anna Higgins.

ADJOURNMENT

On motion of Senator Aikin the Senate at 11:08 o'clock a.m. adjourned until 10:00 o'clock a.m. tomorrow.

APPENDIX

Sent to Governor

(July 19, 1978)

S.C.R. 4

SEVENTH DAY (Thursday, July 20, 1978)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, Mauzy, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan.

Absent-excused: Jones of Harris, Moore, Williams.

A quorum was announced present.

The Reverend Leopoldo Reyes, Cristo Rey Catholic Church, Austin, offered the invocation as follows:

God our Father, You have given all peoples one common origin, You guide and govern everything with order and love, You have charged us with the task of building on this earth a home where all may dwell in peace and harmony. By sharing the good things You give us, may we secure justice and equality for every human being, an end to all division, and a human society built on love and peace.

O God, You are the source of all wisdom, whose statutes are good and gracious, and whose law is truth, guide and direct our Senators of this great State of Texas assembled in this special legislative session, that by just and prudent laws, they may promote the well-being of all our people. Amen.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

LEAVES OF ABSENCE

Senator Moore was granted leave of absence for today on account of important business on motion of Senator McKnight.

Senator Williams was granted leave of absence for today on account of important business on motion of Senator Brooks.